GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:1798
ANSWERED ON:25.07.2002
AGREEMENT BETWEEN ONGC AND RELIANCE INDUSTRIES
MONI KUMAR SUBBA

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether an agreement had been signed between the Oil and Natural Gas Corporation (ONGC) and the Reliance Industries Limited (RIL) for the mega Gas Cracker Project in Assam in May this year;

(b) if so, the terms of the agreement; and

(c) the reasons for delay and the manner in which the difficulties and the issues resolved therein?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS AND MINISTER OF STATE IN THE MINIS PARLIAMENTARY AFFAIRS (SHRI SANTOSH KUMAR GANGWAR)

(a)&(b) The discussion between Oil & Natural Gas Corporation Limited and Reliance Assam Petrochemicals Limited (RAPL) on Gas Sales Agreement (GSA) have since been concluded. However, no formal agreement has been signed between the parties. The terms of the proposed agreement broadly will be:

(i) agreement will be for a period of 15 years.

(ii) for the period 2005-06 to 2011-12 1.35 Million Standard Cubic Meter Per Day (MMSCMD) quantity of gas will be supplied.

(iii) for the period 2012-13 to 2019-20, 1.00 MMSCMD quantity of gas will be supplied.

(c) There were technical details which required to be sorted out. Further, about 436 clauses in the agreement needed to be agreed to by both the parties. After protracted discussions, agreement on most of the clauses have been reached between the parties. 10 clauses on which no agreement was reached, have since been settled by the intervention of the Government.